GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:2741
ANSWERED ON:05.12.2002
RETURN ON CAPITAL INVESTMENT
NANDIPAKU VENKATASWAMY

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the total return on investment i.e. net profit earned after deduction of depreciation, interest and loss of all Public Sector Enterprises during last three years ;

(b) whether any comparative study has been made by the Government to assess the performance of PSEs after the start of Economic reforms in 1991 ;

(c) if so, the details thereof ; and

(d) the steps taken to improve the return on capital invested or profitability in PSEs?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI BALASAHEB VIKHE PATIL)

(a): The details of net profit earned after deduction of depreciation and interest i.e. Profit Before Tax (PBT) are given in Public Enterprises Survey (PE Survey) of respective years. Loss of loss incurring Central Public Sector Enterprises (CPSEs) during las three years is given in Statement - 7B of Public Enterprises Survey 2000-2001 which was laid in the Parliament on 7.3.2002 and is a published document.

(b)&(c): No such comparative study has been made by Government. However, the figures of various parameters about the performance of CPSEs are given in the PE surveys of successive years since 1991.

(d):Enterprise specific steps are being taken by the Administrative Ministries / Departments / Management of CPSEs on case to case basis to improve their performance which is a continuous process. Some of the steps include financial restructuring, modernization of plant and machinery, cost control measures, improved marketing strategies, formation of Joint Ventures, rationalization of manpower etc. as the case may be.